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In the Office of the Secretary of State  
of the State of California

## CERTIFICATE OF OFFICERS

MAR 16 1970

OF

FRANK M. JORDAN, Secretary of State

SURV AEI DEVELOPMENT, INC.

Deputy

AS TO

## MERGER PROCEEDINGS

The undersigned, Roy F. Cook and Raoul P. Labate do hereby certify that they are, and have been at all times hereinafter mentioned the duly elected Vice-President and Secretary-Treasurer, respectively, of AEI DEVELOPMENT, INC., a California corporation (herein sometimes referred to as "corporation") and do further hereby certify:

1. That the Board of Directors of said corporation took action without a meeting by unanimous written consent at 10 o'clock A.M. on the 6th day of March, 1970, at 650 South Spring Street, Los Angeles, California.

2. That said action included the adoption of the following resolutions:

RESOLVED, that the entering into and execution of the Agreement of Merger with Pacesetter Homes, Inc., a copy of which is attached to these minutes, is hereby authorized and the terms and conditions thereof approved; and

RESOLVED FURTHER, that the method provided therein for the conversion of the shares of Pacesetter Homes, Inc., through an exchange for shares of American Electronics, Inc., is hereby approved; and

RESOLVED FURTHER, that an appropriate officer of the corporation, which term shall include the corporation's President, Vice-President, or Secretary be

and hereby is authorized and directed to do all things necessary or proper in order to receive 1,534,680 shares of AEI Common Stock as contemplated in the Plan of Reorganization and Agreement executed October 7, 1969 between AEI and Pacesetter Homes, Inc. (the "Plan") and to execute a receipt for such shares; and

RESOLVED FURTHER, that an appropriate officer, which term shall include the corporation's President, Vice-President, or Secretary, is authorized to execute assignments for such shares in such denominations and to such persons as he shall in his discretion determine to be appropriate to consummate the transactions contemplated in the Plan and the Agreement of Merger; and

RESOLVED FURTHER, that the appropriate officers of the Corporation, which term shall include the corporation's President, Vice-President, and Secretary be, and they hereby are, authorized and directed to take any and all actions which they deem necessary or desirable to carry out the purposes and intent of the foregoing resolutions.

3. That the authorized number of directors is four; and that four directors constituting all of the directors of the corporation, gave their written consent to the above resolutions taken by action by unanimous written consent without a meeting.

4. That a written consent of the holder of 40 shares of common stock, constituting all of the issued and outstanding shares of the only class of stock of said corporation, consenting to and approving the Agreement of Merger referred to in said resolutions of the Board of Directors and the terms and conditions thereof has been filed with the secretary of said corporation.

5. That the total number of outstanding shares of common stock of said corporation is 40 and that said corporation

has no other class of shares outstanding.

6. That the Agreement of Merger was approved by written consent of the sole shareholder.

7. That the name of the surviving corporation is Pacesetter Homes, Inc.

8. That the Agreement of Merger of Pacesetter Homes, Inc., into this corporation filed with the Secretary of State concurrently with this certificate, pursuant to Section 4113 of the Corporations Code of the State of California, is the Agreement of Merger hereinabove referred to and sets forth the terms and conditions approved by said resolutions of the directors and the written consent of the shareholder.

IN WITNESS WHEREOF, the undersigned have executed this certificate this 6th day of March, 1970.

  
\_\_\_\_\_  
Roy F. Cook, Vice-President

  
\_\_\_\_\_  
Raoul P. Labate, Secretary-  
Treasurer

STATE OF CALIFORNIA    }  
COUNTY OF : ORANGE    ) ss.

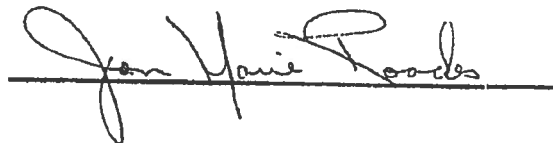
Roy F. Cook and Raoul P. Labate, being first duly sworn, depose and say:

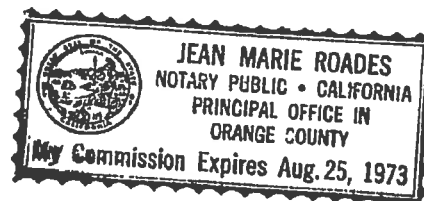
That they are the Vice-President and Secretary, respectively, of AEI Development, Inc.; that they have read the foregoing certificate and know the contents thereof, and that the matters set forth therein are true of their own knowledge.

  
\_\_\_\_\_  
Roy F. Cook

  
\_\_\_\_\_  
Raoul P. Labate

Subscribed and sworn to before me, a notary public in and for the state and county above named this 6th day of March, 1970.

  
\_\_\_\_\_



Na. chgd. to: PACESETTER HOMES, INC.

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**MERGER AGREEMENT  
OF  
PACESETTER HOMES, INC.  
INTO  
/ AEI DEVELOPMENT INC. /**

*SURV*

**FILED**  
in the office of the Secretary of State  
of the State of California

**MAR 16 1970**

FRANK M. JORDAN, Secretary of State  
By *[Signature]*  
Deputy

This Agreement of Merger ("Agreement") is entered into this 6th day of March, 1970, by and between AEI Development, Inc. ("Development" or the "Surviving Corporation") and Pacesetter Homes, Inc. ("Pacesetter" or the "Merged Corporation").

RECITALS

A. Development is/ a California Corporation and a wholly-owned subsidiary of American Electronics, Inc., a California corporation ("AEI") and has an authorized capital of 1,000 shares of \$25 par value common stock, of which 40 shares are issued and outstanding. Its principal office is in Orange County, California.

B. Pacesetter is a corporation organized under the laws of California, with its principal office in Orange County, California. Pacesetter is authorized to have issued and outstanding 500 shares of \$10 par value common stock ("Pacesetter common stock") of which 500 shares are issued and outstanding.

C. The respective Boards of Directors of Development and the Merged Corporation deem the merger desirable and in

the best interests of their respective stockholders. The respective Boards of Directors of Development and the Merged Corporation have, by resolution duly adopted, approved and adopted this Agreement and directed that it be submitted to a vote of their respective stockholders.

D. AEI, by entering into the Plan of Reorganization and Agreement with respect to the transactions provided for herein, (the "Plan") has agreed to issue its shares as required by this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties agree as follows:

Article 1. Merger.

1.1 Development and the Merged Corporation (the "Constituent Corporations") shall be merged into a single corporation by the Merged Corporation merging into Development, the Surviving Corporation, which shall survive the merger, pursuant to the provisions of the Corporations Code of the State of California. Upon such merger, the separate corporate existence of the Merged Corporation shall cease and the Surviving Corporation shall become the owner, without other transfer, of all the rights, privileges, powers and franchises of the Constituent Corporations, and the Surviving Corporation shall become subject to all the restrictions, disabilities

and duties of the Constituent Corporations in the same manner as if the Surviving Corporation had itself incurred them.

1.2 Development shall continue to exist under and be governed by the laws of the State of California, with its Articles of Incorporation and By-Laws to remain unchanged, except that Article <sup>FIRST</sup> A of its Articles of Incorporation shall be amended to read as follows:

The name of this corporation is:

PACESETTER HOMES, INC.

1.3 The directors of Development on the Effective Date shall be the directors of the Surviving Corporation and shall hold office until their successors shall have been elected and qualified or until their resignation or removal, either according to law or the By-Laws of the Surviving Corporation. If, on the Effective Date any vacancy shall exist in the Board of Directors of the Surviving Corporation, such vacancy may thereafter be filled in the manner provided in the By-Laws of the Surviving Corporation.

1.4 The officers of Development on the Effective Date shall be the officers of the Surviving Corporation and shall hold office until their successors shall have been elected and qualified or until their resignation or removal, either according to law or the By-Laws of the Surviving Corporation.

1.5 The Merged Corporation hereby agrees that at any time, or from time to time, as and when requested by the Surviving Corporation, or by its successors and assigns, it will execute and deliver, or cause to be executed and delivered in its name by its last acting officers, or by the corresponding officers of the Surviving Corporation, all such conveyances, assignments, transfers, deeds, or other instruments, and will take or cause to be taken such further or other action as the Surviving Corporation, its successors or assigns may deem necessary or desirable in order to evidence the transfer, vesting or devolution of any property, right, privilege, or franchise, or to vest or perfect in or confirm to the Surviving Corporation, its successors or assigns, title to and possession of all the property, rights, privileges, powers, immunities, franchises, and interest referred to in this Article 1 and otherwise to carry out the intent and purposes hereof.

1.6 This Agreement shall become effective when adopted by the votes of the stockholders of each of the Constituent Corporations in accordance with the laws of the State of California, appropriate certificates have been issued by the Franchise Tax Board, and the Agreement has been duly executed and filed in accordance with Section 4113 of the Corporations Code of the State of



California. The time when this Agreement shall become effective as aforesaid is herein and in the Agreement and Plan of Reorganization called the "Effective Date".

Article 2. Capital Stock of the Surviving Corporation.

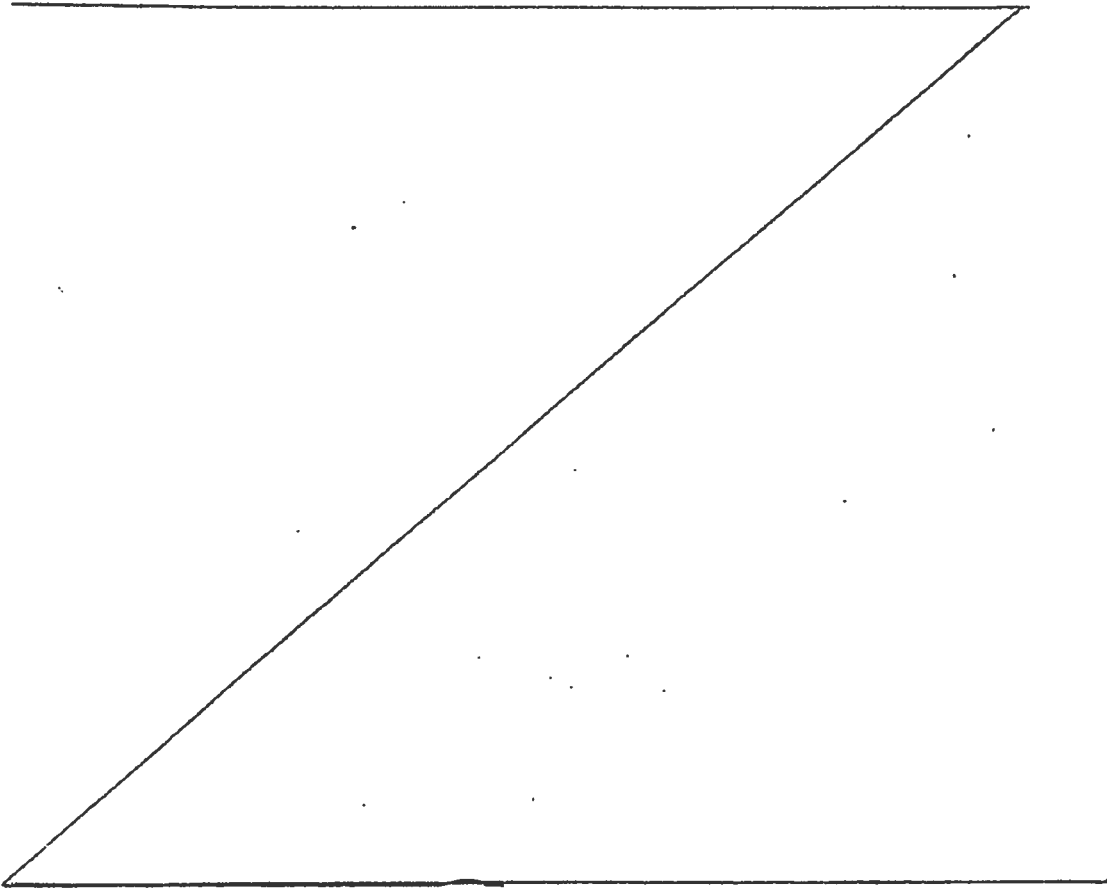
The manner of converting the shares of Pacesetter into shares of AEI shall be as follows:

(a) On the effective date of the Merger, each share of Development's common stock issued and outstanding on the date of the merger shall continue to evidence ownership of the same number of shares of common stock of the Surviving Corporation and no additional shares of the Surviving Corporation's common stock shall be issued as a result of the merger.

(b) Each share of Pacesetter's common stock outstanding at the effective date of merger shall by virtue of the merger and without any action on the part of the holder thereof, other than as specified herein, be exchanged for a number of shares of AEI common stock equal to the "Conversion Ratio".

(c) Any shares of Pacesetter common stock held in Pacesetter's treasury when the merger becomes effective shall be retired and cancelled.

(d) The "Conversion Ratio" shall be 3069.36 shares of AEI common stock for each share of Pacesetter common stock.



Article 3. Miscellaneous.

3.1 This Agreement may be executed in any number of counterparts or may be, where the same are not required, certified or otherwise delivered without the testimonium clause and signatures. Each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Agreement.

3.2 This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the State of California.

3.3 This Agreement cannot be altered or amended except pursuant to an instrument in writing signed on behalf of the parties hereto.

IN WITNESS WHEREOF, each of the Constituent Corporations has caused this Agreement of Merger to be signed in its corporate name by its President or one of its Vice Presidents and its Secretary or one of its Assistant Secretaries and its corporate seal affixed hereto, all as of the date first above written.

AEI DEVELOPMENT, INC.

By [Signature]  
President or Vice President

By R. R. Labate  
Secretary or Asst. Secretary



PACESETTER HOMES, INC.

By [Signature]  
President or Vice President

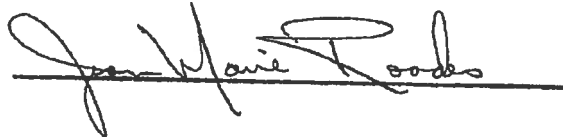
By [Signature]  
Secretary or Asst. Secretary

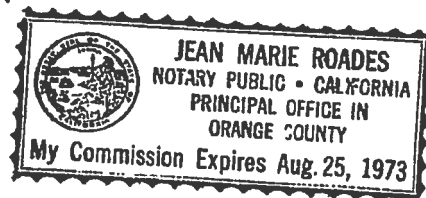


STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On this 6th day of March, 1970, before me,  
Jean Marie Roades, a notary public in and for the  
county and state above named, duly commissioned and sworn,  
personally appeared Roy F. Cook and Raoul P. Labate known to  
me to be the Vice-President and Secretary, respectively of  
AEi Development, Inc., one of the corporations that executed  
the within instrument, and acknowledged to me that such cor-  
poration executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand  
and affixed my official seal in the county and state above  
named the day and year in this certificate first above written.





STATE OF CALIFORNIA )  
COUNTY OF ORANGE } ss.

On this 6th day of March, 1970, before me,  
Elsiena P. Wilson, a notary public in and for the  
county and state above named, duly commissioned and sworn,  
personally appeared JOHN W. KLUG and CALLUM MACLEOD known  
to me to be the President and Secretary, respectively,  
of PACESETTER HOMES, INC., one of the corporations that  
executed the within instrument, and acknowledged to me that  
such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand  
and affixed my official seal in the county and state above  
named the day and year in this certificate first above  
written.

Elsiena P. Wilson

